

Done by C. H. Carpenter

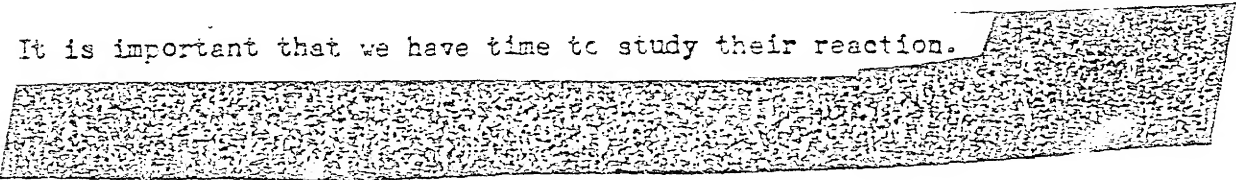
Notes on Remarks by President Kennedy before the National Security Council
Tuesday, January 22, 1963

I will start by reviewing areas of policy which will be before us in the coming months and indicate the general attitude which I have toward them and to emphasize where we might put our emphasis in the next few months.

The responsibilities of the United States are worldwide and the U.S. is the only country which is recognizing its wide responsibilities. We are part of NATO, SEATO, etc. and support other pacts even though we are not a part of them. Other nations are not doing their share.

Would like to say a word first about Cuba.

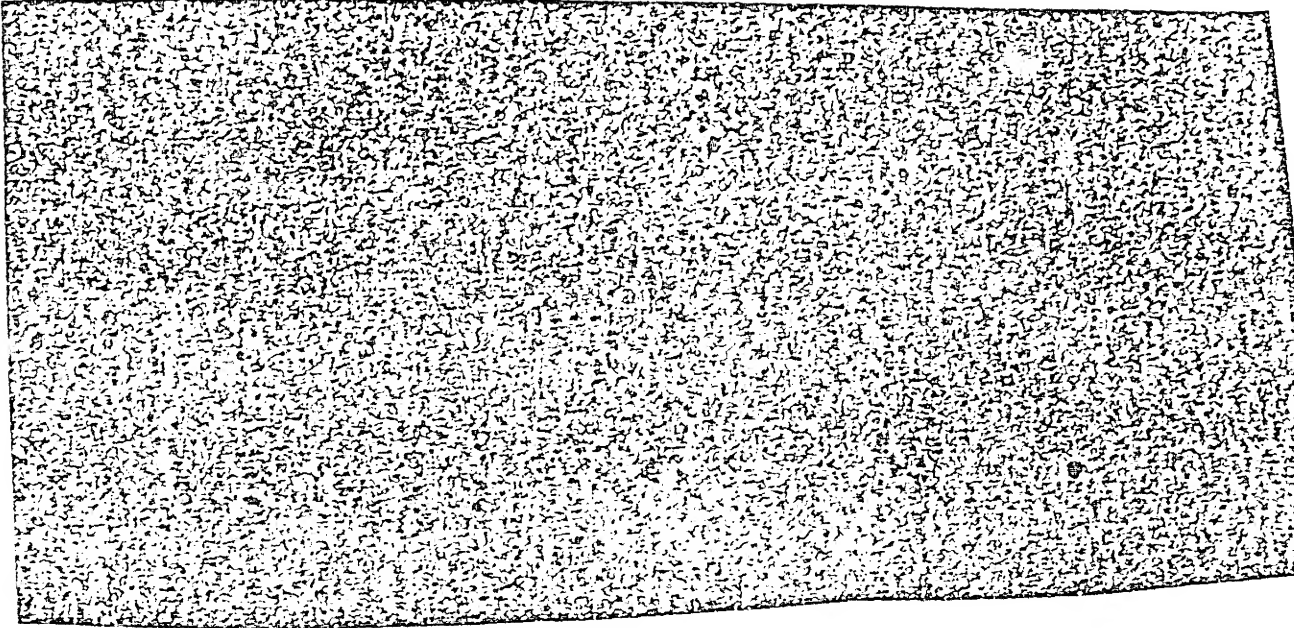
The indications are that the importance of timing is of paramount importance in reaching judgments — both by the USSR and the US. Our big problem is to protect our interests and prevent a nuclear war. It was a very close thing whether we would engage in a quarantine or an air strike. In looking back, it was really that it presented us with an immediate crises and the USSR had to make their judgment and come to a decision to act in twelve hours. In looking back over that four or five day period, we all changed our views somewhat, or at least appreciated the advantages and disadvantages of alternate courses of action. That is what we should do in any other struggle with the Soviet Union — and I believe we will be in one in the future. We should have sufficient time to consider the alternatives. You could see that the Russians had a good deal of debate in a 48 hour period. If they had only to act in an hour or two, their actions would have been spasmodic and might have resulted in nuclear war. It is important that we have time to study their reaction.



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BY *mm* NARS. DATE 3/85



In the matter of Europe, the US has been faced since 1958 with deGaulle's position. . . . nuclear veto by French President Eisenhower reviewed the problem and took the position that it should be reviewed by the NATO nations -- the NATO nations would not act. ... no agreement between the Three. That decision this Administration also supported. However, this decision has not produced the present contention with the French. Even when I was in Paris last June, de Gaulle said he would make some proposal in regard to NATO itself. All through his speeches and his memoirs he indicates it is his desire to have a Europe in which France would be a dominant power speaking to the USSR and to the Western World as an equal. If we had given him atomic weapons he would be difficult to deal with.

De Gaulle did not question our support of Western Europe because we have maintained strong representation there, but the French have not. They have not been aggressive as we have been and, therefore it is not a distrust of us that we will desert Europe but it is that he feels that France should assert a position as a strong France and cease its growing reliance on the U.S.

Having made such proposals to the US and Great Britain and been turned down, he has made the same turn to Germany.

There is not much harm to us in this position. With Great Britain joining the Common Market, this would strengthen Europe but France will not let them in at this time. If G.B. does go in, it will cost us a good deal in trade, but it will be good for the stability of Europe. France keeping Britain out is a setback for us, but a more severe setback for G.B. They are going to have a difficult time in Europe. It is our interest to strengthen Europe and the unilateral concept, and deGaulle is opposed to this. By strengthening the multilateral concept, it strengthens NATO and increases their dependence on us. This strengthens our influence in Europe and gives us the power to guide Europe and keep it strong. The events of the past two weeks makes it important for us to support the multilateral concept and that is why deGaulle is more opposed to it. It will be difficult to work this out, but it is important that we do so. But we should not be wholly distressed.

After all we have done for France in so many ways, deGaulle has opposed us in many places throughout the world - in NATO, in the Congo and other places -- but he is there and we have to live with it. One way we can do so is to strengthen the multilateral force and NATO.

Our negotiators on trade matters will have to be very careful to protect our interests. Our trade balance is of great concern and is not under control. If we get down to the \$12 billion coverage of our national reserve we will be in trouble. We will have pressure on the dollar and pressure from the Congress and they will begin to follow a much narrower policy. We will

We will be very tough about the actions that Europe takes. We maintain large forces in West Germany. If West Germany does not maintain sufficient forces but instead concentrates on agricultural production for instance to our detriment, we must take a strong position.

In the coming months we must concentrate on how we can protect the interests of the United States. We have pursued a very generous policy. We have lost our economic power over these countries.

Do not think that the Europeans will do anything for us even though we have done a lot for them. So we must have all our representatives looking out very strongly for the U.S. interests. We must be sure our economic house is in order and use our military, political power to protect our own interests.

Regarding our attitude toward the neutrals. There is criticism about our lack of difference between the Allies and the neutrals. The Pakistanis are critical, but we must recognize the importance of the Indians. If they joined the Chinese we would have no free south Asia. The Pakistanis are struggling against the Indians and the Afghans. They will use or attempt to exploit our power. Our interest is to make a strong sub-continent.

While doing this we have moved away from the Pakistanis and they are moving closer to the Chinese and against the Indians. We have not been able to persuade

the Pakistannis or the Afganistans to chance their policy on India.

These forces were there long before we came on the scene and we cannot do much about it -- we cannot settle all the disputes, but we want to keep them free from the Communists. We cannot permit those who call themselves neutrals to be completely taken into the Communist camp.

We must keep our ties with Nassir and others.

With regard to AID which is going forward under General Clay, we hope we can tie this whole concept of aid to the safety of the United States. This is the reason we give aid. The test is whether it will serve the United States and if we can equate it to that. AID is not a good word. Perhaps we can describe it better as Mutual Assistance -- though this is an old term. Some countries can go it alone, but we must do all we can. We must make every effort to keep a country out of the communist bloc. It is more difficult to get a country out of a communist bloc once it is in. It sometimes seems hopeless. The Congress may cut the heart out of Foreign Aid and this is a great danger to the safety of the United States. Even the French give more aid than we do on a per capita basis. We will probably take a cut, but we do not want to hurt our Defense effort. We would not like four or five countries to suddenly turn communist just because we did not give a certain amount of aid. We must look this over very carefully and put aid on the basis it will best serve our own interest.

Turning to the domestic scene, we will have a deficit of about \$12 of \$12¹/₂ billion. We have made an effort to hold the deficit down and we have in the past three years. Except for Defense and Grace and Interest on the Debt we have ~~not~~ increased the National Budget but it has been increased less than it was under the previous Administration. With the tremendous movement from the country to the cities, we have had many problems. While the costs have increased, the receipts have dropped. We have only increased about 1% a year in the growth rate during the past ten years. This is serious, particularly with the great increase in population.

I think this Tax Bill is very important. If we get another recession in this country it will ~~taxation~~ have a bad effect on the gold reserve. It will have a bad psychological effect on the people of the U.S. And when we see the strong position that Mr. Khrushchev is taking with regard to agricultural and other domestic sections of the economy -- and if we just drift, we will look very bad to other nations.

Furthermore, the deficit is a reflection of the fight in the hot and cold war we have been fighting during the past fifteen years. If we go to a deficit of \$12 billion, this would be a most serious affair for the United States. If we can go forward with the present Tax Bill, we will be in much better shape. All of these matters -- the tax program, AID, defense, etc. are all related.

The Military are disturbed because of our failure to go forward with certain programs. For instance: The B-70, Nike-Zeus, Skybolt. As a matter of fact, we are going forward with a large program and there is a limit to how much we can do, and if the necessity develops we will do more.

This Administration has spent a good many millions more than has been appropriated for Space and Defense -- and perhaps we should spend more.

One of our big jobs will be to persuade our colleagues in Europe to do a better job themselves. If we maintain six divisions in Europe and they only maintain a force which will permit them to fight only two or three days -- if we have sufficient force to fight and supply for ninety days and those around us can only fight for two or three days, then we should take another look. France carries their burden abroad, but not in Europe. We should consider very hard the narrow interests of the United States as well as the interests of the Free World. If we grown weak economically, our influence will grown less and less and if that happens, our Free World's position will grown weaker. De Gaulle is basing his whole position on the position of the United States. He can do this because he feels we will maintain our military power in Europe and he can bank on it.

Mr. Foster is engaged in the Test Ban. We might be successful here if the Russians need it

If the Test Ban Treaty is successful it will inhibit the Russians from starting a nuclear war and if so we should make every effort to conclude the treaty. But if the nuclear test ban includes only the Russians and the U.S. it is not worth very much. We should support Foster all we can until we see where it is going. If we get a successful treaty, we will fight it through if it will help us. (On the Hill ?)

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Thanks for your cooperation. All worked well together and harmoniously. Hope we can maintain the mutual relations which have been so good in this Administration.

EXCISED COPY FOLLOWS

WLC-78-493

done by CIA Report

Notes on Remarks by President Kennedy before the National Security Council
Tuesday, January 22, 1963

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NSC Dir. (WLC-78-493)

BY TME/KM

NARS, DATE 10/6/80

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